

## **1. What is the Enterprise Transition Plan (ETP)? How does the ETP compliment the Business Enterprise Architecture (BEA)?**

In September 2005, the Department of Defense (DoD) established an integrated and executable roadmap to improve business operations that support the joint warfighter, while enhancing financial transparency and accountability. The Department developed the ETP to accompany BEA 3.0, serving as a plan for how the DoD will implement the BEA. The ETP is a catalyst for transformation and provides senior oversight bodies and leadership with a measurable basis for decision-making and performance.

On March 15, 2006, the Business Transformation Agency (BTA) submitted their Annual Report to Congress which included an update to the ETP. The BTA also released the BEA 3.1.

## **2. In what way does the ETP provide a roadmap for the BEA?**

The ETP supports the Department's process of identifying joint needs, analyzing capability gaps, and making incremental improvements in ensuring the DoD Business Mission Area (BMA) is aligned to the Warfighter Mission Area.

The BEA defines the processes, roles, data structures, information flows, business rules, and standards required to guide improvements in the Core Business Missions (CBMs). Accordingly, the Business Capabilities captured in the BEA are being used to evaluate and approve future business system investments and ongoing DoD Enterprise and Component programs.

The ETP provides the strategy, milestones, metrics, and resource needs for the business capability improvements (via supporting systems and initiatives) identified in the BEA. The ETP and BEA are structured around the five DoD CBMs. This unifying framework is a capabilities-based approach to enterprise business planning, resourcing, and execution. The CBMs are:

- Human Resources Management
- Weapon System Lifecycle Management
- Materiel Supply and Service Management
- Real Property & Installations Lifecycle Management
- Financial Management

## **3. What progress has been made since to date?**

The DoD has instituted a strong governance structure, actively led by the Deputy Secretary of Defense and the Department's most senior leaders to guide and manage its business transformation efforts. Through the application of the ETP the following accomplishments have been made in Defense Business Transformation:

- Implemented a strong governance structure led by the DEPSECDEF and DBSMC
- Established the BTA
- Implemented an Investment Review process;
- Developed and utilized integrated management tools, namely the BEA and ETP;
- Achieved significant increases in materiel availability seen in the supply chain, and reductions in lead times;
- Executed improvement initiatives in aviation repair depots and reduced work-in-process inventory, increasing their speed and efficiency;
- Implemented transportation cost management, saving millions of dollars in the process for moving people and materiel across the globe; and,
- Streamlined the DoD's financial statements generation from five months to 45 days and increased the quality of the statements.

## **4. How do the Business Enterprise Priorities (BEPs) differ from the CBMs?**

The DoD BMA, with its five CBMs, provides the organizing framework that will drive business transformation. The CBMs integrate horizontally across all functional areas (e.g., planning, budgeting, IT, procurement, etc.) to provide end-to-end support for core business processes. Within the CBMs are six strategically-targeted BEPs, which are short-term objectives that were established to achieve rapid results DoD-wide. Over time, the BEPs will change; however, the CBMs will remain constant as the unifying framework.

## 5. What are the six current BEPs, and what benefits do they provide?

The BEPs help focus the Department's attention and resourcing on areas that will have the greatest impact across the enterprise. These six priorities will provide enduring improvements and benefits to the Department's business infrastructure. It is important to keep in mind that the BEPs can change, as needed, during the transformation process. The six BEPs detailed in the current version of the ETP are:

- Personnel Visibility (PV), which is focused on providing access to reliable, timely and accurate personnel information for warfighter mission planning. Benefits include timely and accurate access to compensation and benefits for DoD personnel and their families and ensuring that Combatant Commanders have access to timely and accurate data on personnel and their skill sets.
- Acquisition Visibility (AV), which is focused on providing transparency to acquisition information critical to supporting lifecycle management of the Department's processes that deliver weapon systems and automated information systems. Benefits: Cost savings in consumables, manpower and support infrastructure.
- Common Supplier Engagement (CSE), which is focused on aligning and integrating policies, processes, data, technology and people to simplify and standardize the methods that DoD uses to interact with commercial and government suppliers. Benefits: Reliable and accurate delivery of acceptable goods and services to the warfighter, reduced backlogs, and the elimination of redundant program-specific reporting systems.
- Materiel Visibility (MV), which is focused on improving supply chain performance. Benefits: Timely and accurate information on the location, movement, status, and identity of materiel and supplies for the warfighter.
- Real Property Accountability (RPA), which is focused on providing access to near real-time information on environmental, workforce, hazardous material, and real property assets in which the Department of Defense has a legal interest. Benefits include increased access to more reliable and accurate real property information and decreased operational costs..
- Financial Visibility (FV), which is focused on providing immediate access to accurate and reliable financial information that will enhance efficient and effective decision-making. Benefits: Standardized financial data and reporting processes that enable decision makers to reliably evaluate program options and resource constraints; will also enable greater financial accountability and eventually clean audits for the Department.

## 6. How does the ETP relate to the BEPs?

The ETP describes each BEP's goals, objectives, and business capabilities to be improved. Additionally, the ETP provides target outcomes metrics for each business capability. Moreover, the ETP identifies the programs (systems and initiatives) that will provide these capability improvements along with associated cost, schedule, and performance management information to form a program baseline. The ETP also provides system migration and termination plans for each of the target systems in each BEP.

## 7. Do the BEPs cover all business transformation efforts in the Department?

The initial set of BEPs represent the current DoD-wide business transformation priorities of DoD. Additionally, Components develop strategies, schedules, and budgets and define Business Capabilities in their transition plans, which are then incorporated into the DoD-wide ETP. The BEPs—and the detailed plans for achieving them—plus the individual Component priorities are all aligned in the ETP. The ETP summarizes planning information for selected programs that support the BEPs and for Component programs that support Component priorities. This provides an integrated product for common review, communication, and update.

BEPs were identified as priorities because they will have the greatest impact across the enterprise and provide improvements to the most urgent and important needs of the CBMs. The BEPs will yield significant improvements over the next two years, which can be measured as incremental improvements over each six-month period. The Department's transformation priorities will evolve as transformation efforts progress.

## 8. What accomplishments have been made under each BEP since September of 2005?

At the six month mark, BEPs such as Acquisition Visibility, Personnel Visibility and Real Property Accountability met 100 percent of their milestones established in the September 2005 ETP. Detail are available through Appendix J of the March 15, 2006 Annual Report to Congress, please visit [www.dod.mil/dbt](http://www.dod.mil/dbt). Through the implementation of the ETP the following key accomplishments have been made:

### *Personnel Visibility*

- Deployed a capability that allows real-time encounter documentation and enables retrieval of an electronic full medical record at the point of care.

### *Acquisition Visibility*

- Released Defense Acquisition Management Information Retrieval (DAMIR) 2.2.
- Achieved Full Operational Capability (FOC) with the implementation of USXPORTS V4.0 in January 2006.

[www.dod.mil/bta](http://www.dod.mil/bta)

For more information, visit [www.dod.mil/dbt/contact.html](http://www.dod.mil/dbt/contact.html)

### ***Common Supplier Engagement***

- Provided an enterprise-wide view of sourcing data.
- Deployed web-enabled Taxpayer Identification Number (TIN) validations to ensure data integrity between DoD and the Internal Revenue Service.
- Implemented first phase of automated contingency contracting capability (CC-SF44) for in-theater use.

### ***Materiel Visibility***

- Completed initial military equipment valuations for 1,101 military equipment acquisitions programs.

### ***Real Property Accountability***

- Achieved initial operating capability for the site Unique Identifier Registry (UID).

### ***Financial Visibility***

- Integrated the Intragovernmental Transactions (IGT) reimbursable process model for intragovernmental transactions in the BEA 3.1.
- Extended a common DoD financial language by incorporating Standard Financial Information Structure (SFIS) into “blueprints” for all emerging financial management systems and into certification requirements for 29 existing systems.
- Completed, ahead of schedule, Standard Fiscal Code compliant General Fund financial reporting capabilities for the Army and six Defense Agencies, which will enable over 78 million transactions per month to be posted to the corporate general ledger.
- Established SFIS data library via web service capabilities for the DoD enterprise.

## **9. How do the Component Transition Plans integrate with the ETP?**

---

The Components are continually supporting the BEPs by transforming their business practices and systems based on the DoD BEA and ETP. Additionally, each Component manages its own priorities to improve mission effectiveness and efficiency. Components have created and will maintain Component Transition Plans that present their transformation vision and goals and identify their Component priorities. Just as with the ETP, Component transition plans document planning information on these priorities.

Future versions of the ETP will achieve tighter integration between DoD Enterprise and Component transition plans, assess the maturity of DoD's Business Capabilities, and reflect the Department's progress in achieving business transformation goals and milestones.

## **10. What progress have the Components made in transformation?**

---

Some of the key business transformation accomplishments made by Components over the past year as a result of integrating with the ETP include:

### ***Department of the Army***

- Implemented IT investment governance and guidance to initiate portfolio management at the Mission Area/Domain level and provided a portfolio management tool, which is called the Army Portfolio Management Solution (APMS).
- Instituted a Portfolio Review process that ensures all Army IT investments found within the Mission Area/Domain governance structure are reviewed for: duplicate and/ or stovepiped capabilities, architecture compliance, interoperability and integration.

### ***Department of the Navy (DoN)***

- Integrated Supply Maintenance Aviation Reengineering Team (SMART) pilot into consolidated Navy Enterprise Resource Planning (ERP), completing the first step in DON's consolidation of four ERP pilot projects under one single Navy ERP.
- Completed Joint Financial Management Improvement Program (JFMIP) testing of the Standard Accounting, Budget and Reporting System (SABRS) for the Marine Corps Financial Improvement Initiative (FII).

### ***Department of the Air Force***

- Deployed the Manpower Programming and Execution System (MPES), web-enabling the entire programming and execution process for manpower resources and providing savings in excess of \$20M over the Future Years Defense Program (FYDP).
- Awarded contracts for a software solution for Defense Enterprise Accounting Management System (DEAMS) and corresponding program management support.

- Conducted SFIS conference to ensure that the DEAMS community is aware of SFIS requirements and impact to the Air Force.

#### ***Defense Logistics Agency (DLA)***

- Implemented Business Systems Modernization (BSM) Release 2.2 (December 2005).
- Received approval via a Full Rate Production Decision in December 2005 for implementation of the Asset Visibility application in the Integrated Data Environment (IDE), which replaced the legacy JTAV system.

#### ***U.S. Transportation Command (USTRANSCOM)***

- Identified, with DLA, 30 distribution process gap areas and opportunities with linkages to major DoD distribution initiatives in DoD's end-to-end global supply chain by employing joint improvement process teams (DLA) and global site visits and surveys (USTRANSCOM).
- Partnered with DLA to analyze the opportunity to converge two separate information systems, IDE and the Global Transportation Network (GTN), to enhance end-to-end capability for the warfighter.

#### ***Defense Finance and Accounting Services (DFAS)***

- Improved support to Wounded In Action (WIA) Service members by implementing a very important person (VIP) support structure to resolve pay issues and to meet recent legislative enactments.
- Terminated the Forward Compatible Payroll (FCP) program in favor of a single concerted effort toward implementing the Defense Integrated Military Human Resources System (DIMHRS).

### **11. How will the DoD provide more accurate, reliable, and timely information for management?**

Business transformation will provide better, more timely management information across DoD. The BEPs support increased visibility into the Department's people, assets, suppliers, and investments.

A key enabler to providing access to reliable management information is the continued migration to a networked information (net-centric) environment. By leveraging digital networks, DoD will be able to more optimally distribute information currently locked in isolated applications and thereby enable visibility across end-to-end processes.

The BEPs will also establish authoritative data sources (i.e., entered once and used by many) for accounting transactions, invoices, inventory management, and other documentation that supports the funding, purchasing, and distribution of weapons and supplies.

The use of enterprise-wide standards, such as SFIS, will help to ensure accurate, reliable, and timely business and financial transactions. Standards will also enhance interoperability and support improved decision-making.

### **12. What are the next steps for the ETP?**

The September 2006 ETP will show achievement of schedule milestones and status of future milestones, along with defined baseline measurements for Business Capability metrics. Moreover, the BTA will document Business Capability Gaps and identify which technical and non-technical solutions will address closing each gap (as well as where no solution has yet been identified).

During the coming year, continued program planning and implementation will result in new and refined milestones, resource needs, and metrics, as well as the determination of specific termination dates for migrating systems. The BTA will further integrate with Component transformation, focusing on Component enablers of BEP objectives. The BTA also will continue to identify dependences within and between programs and between plans depicted in the ETP and other plans across DoD, such as the Financial Improvement and Audit Readiness (FIAR) Plan. These revisions will be reflected in each ETP update.